| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
| 19. | Orissa | 3840.30 | 1146.50 | 4986.80 |
| 20. | Punjab | 4169.25 | 1285.75 | 5455.00 |
| 21. | Rajasthan | 5132.00 | 1897.75 | 7029.75 |
| 22. | Tamil Nadu | 4155.00 | 1366.00 | 5521.00 |
| 23. | Tripura | 0.00 | 130.75 | 130.75 |
| 24. | Uttar Pradesh | 20739.60 | 6311.25 | 27050.85 |

Note: In the case of certain States/UTs funds were not released if utilisation were not furnished/ balance funds from previous years were available for scheme implementation.
Contingency funds also include Rs. 50,000/- for project profiles to Andaman & Nicobar.

| | | | | |
|---|---|---|---|---|
| 25. | West Bengal | 0.00 | 587.50 | 587.50 |
| 26. | Andaman & Nicobar | 30.00 | 60.25* | 90.25 |
| 27. | Chandigarh | 30.00 | 10.75 | 40.75 |
| 28. | Daman & Diu | 15.00 | 6.75 | 21.75 |
| 29. | Dadra & Nagar Haveli | 15.00 | 7.50 | 22.50 |
| 30. | Lakshadweep | 15.00 | 6.00 | 21.00 |
| 31. | Pondicherry | 251.05 | 94.75 | 345.80 |
| 32. | Sikkim | 0.00 | 25.00 | 25.00 |
| | Total: | 78361.57 | 37323.75 | 115685.32 |

**Industrial output growth**

1277. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government are aware of the observations made by the Centre Government for Monitoring Indian Economy (CMIE) that the Industrial output growth is going down from 4.5 per cent to 4 per cent;

(b) if so, the reasons therefor; and

(c) what steps have been taken or proposed to be taken to boost the output?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) :

(a) Different research bodies have been estimating industrial growth differently. The Centre for Monitoring Indian Economy (CMIE) expect the industrial growth to be 4% during the current year.

(b) the slow down in industrial growth can be attributed to both the domestic and external factors.

* Domestic factors include weak demand on account of inadequate investment in infrastructure sectors, like power, ports and transport, and slow down in general investmen

mainly due to sluggish capital market conditions.

* On the external side, the export growth has been sluggish which has been aggravated by fall in world export growth. Export growth at (—) 2.88% has shown a substantial decline during April—December 1998.

* Demand constraints constitute one of the important reasons for decline in industrial growth. While there has been decline in growth in textiles on account of slowdown in consumption demand, cement and steel have been affected by lack of investment demand.

* Indian corporate has also been affected by competition from cheap imports, owing to devaluation of currencies in East Asia and Brazil.

(c) The Government has announced various measures for correcting sectoral policies and to induce faster growth.

The steps taken to improve industrial growth are:

1. Special package announced for revival of growth in exports.
2. Repeal of ULCRA and incentive to house ownership.
3. The Government has allowed buy back of shares and inter-corporate loans to boost investment and revive the capital market.

In the Budget for 1999-2000, various measures have been announced for revival of industry to accelerate industrial growth. These include:—

(i) New Competition Laws to replace Monopolies and Trade Restrictive Practices Act.

(ii) The list of automatic approval for FDI will be expanded to cover important industrial and service sectors.

(iii) A Foreign Investment Implementation Authority within the Ministry of Industry has been announced for quicker investment inflows and speedier implementation of projects.

(iv) Automatic approval for investment upto 100% by NRIs, OCBs for all items except those which attract notified equity cap/compulsory licensing/public sector reservation under Industrial Policy/reservation for small scale sector.

(v) A major overhaul of excise duty rates from present 11 rates reduced to only 3.

(vi) Restoration of 100% MODVAT credit.

(vii) 7 major and valorem rates of custom duty reduced to 5 basic rates.

(viii) Massive thrust for road construction financed by rupee one per litre surcharge on diesel.

(ix) Credit Insurance Scheme to be launched for SSI units.

(x) Fisaul package consisting of custom duty reduction announced for Information technology sector.

(xi) R&D activity provided further income tax concessions.

(xii) A comprehensive package for the housing sector has been announced. A boost to housing will increase the demand for cement, steel and other construction material.

(xiii) The Reserve Bank of India has cut Bank rate, slashed Repo rate and brought down CRR to reduce the interest cost of funds.

Village industries

1278. SHRI E. BALANANDAN: Will the Minister of INDUSTRY be pleased to state:

(a) the State-wise number of village industries, together with registered number of institutions; and